

transmission rates; and (4) require power pools to meet the comparability standard. We will deny Catex's motion for reconsideration with regard to these issues. The first three issues are already adequately addressed in the pricing principles set forth in the Policy Statement as discussed briefly below. The fourth (*i.e.*, that power pools be required to meet the comparability standard) has already been proposed by the Commission in the Open Access NOPR.²⁹

With regard to Catex's request that the Commission emphasize simplicity and predictability in transmission rates, we note that the Policy Statement already reflects the Commission's support of transmission pricing that is simple and predictable. Indeed, one of the Policy Statement's pricing principles is that transmission pricing should be practical. To this end, the Policy Statement provides that a transmission user should be able to calculate how much it will be charged for transmission service.³⁰ At the same time, however, the Policy Statement recognizes that this principle may need to be balanced on a case-by-case basis against the other pricing principles, such as the principle that transmission pricing should promote economic efficiency. In addition, although Catex contends that charges to a transmission customer should not be raised after the fact, for example, to compensate for loop flows on other systems, the Commission believes that whether a transmission rate should be increased, as opposed to fixed for the term of a transaction, is a matter to be determined based on the facts and circumstances of a particular case.³¹

With regard to Catex's concern about discounts, we note that the Commission historically has prohibited preferential pricing to affiliates.³² Moreover, such preferential pricing would be inconsistent with the requirement of non-discriminatory open access transmission.³³ As the Policy Statement makes clear, the requirement that transmission pricing must reflect comparability prohibits the

transmission owner from selling itself transmission service at a discount.³⁴

As to Catex's concern that subsidies be avoided, we reiterate that the Policy Statement provides that, consistent with the principle that transmission pricing must reflect comparability, a transmission owner that uses its own transmission system to make off-system sales should pay for transmission service at the same rate that third-party customers pay for the same service. As a result, a transmission owner is prohibited from selling itself transmission service at a discount that would be subsidized by native load and transmission-only customers.³⁵ With respect to Catex's concerns about appropriate pricing of non-firm transmission services, the Commission will consider on a case-by-case basis whether non-firm transmission customers are subsidizing other transmission users.

The Commission Orders

(A) The motions for reconsideration of American Forest and Paper, Catex, the Vermont Department, and RUS are hereby denied as set forth in the body of this order.

(B) The Commission's Policy Statement is hereby clarified as set forth in the body of this order.

By the Commission.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 95-12990 Filed 5-25-95; 8:45 am]

BILLING CODE 6717-01-P

18 CFR Part 34

[Docket No. RM92-12-000]

Streamlining of Regulations Pertaining to Parts II and III of the Federal Power Act and the Public Utility Regulatory Policies Act of 1978; Technical Amendment to Order No. 575

May 22, 1995.

AGENCY: Federal Energy Regulatory Commission.

ACTION: Final rule; technical amendment.

SUMMARY: The Federal Energy Regulatory Commission is amending the final rule issued on January 13, 1995 (60 FR 5831, Jan. 25, 1995) in this proceeding to correct an error in the "Worksheet for Computation of Interest Coverage" contained in 18 CFR 34.4(e).

EFFECTIVE DATE: May 22, 1995.

FOR FURTHER INFORMATION CONTACT:

³⁴ Policy Statement at 31,142-43.

³⁵ *Id.* at 31,142-43.

Wayne McDanal, Office of Chief Accountant, Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, (202) 219-2622.

SUPPLEMENTARY INFORMATION:

List of Subjects in 18 CFR Part 34

Electric power, Electric utilities, Reporting and recordkeeping requirements, Securities.

Lois D. Cashell,
Secretary.

Accordingly, Part 34, Chapter I, Title 18 of the *Code of Federal Regulations* is amended as set forth below.

PART 34—APPLICATION FOR AUTHORIZATION OF THE ISSUANCE OF SECURITIES OR THE ASSUMPTION OF LIABILITIES

1. The authority citation for Part 34 continues to read as follows:

Authority: 16 U.S.C. 791a-825r, 2601-2645; 31 U.S.C. 9701; 42 U.S.C. 7101-7352.

§ 34.4 [Amended]

2. In the worksheet in § 34.4(e) the words

"Total Interest Expense ÷ Income Before Interest and Income Taxes = Interest Coverage"

are removed and the words

"Income Before Interest and Income Taxes ÷ Total Interest Expense = Interest Coverage"

are added in their place.

[FR Doc. 95-12988 Filed 5-25-95; 8:45 am]

BILLING CODE 6717-01-M

DEPARTMENT OF THE TREASURY

United States Secret Service

31 CFR Part 413

[1505-AA68]

Closure of Streets

AGENCY: United States Secret Service, Treasury.

ACTION: Final rule.

SUMMARY: Pursuant to 31 U.S.C. 321, 18 U.S.C. 3056, 3 U.S.C. 202, and Treasury Order 170-09, the Secret Service has closed to public vehicular traffic the following streets in order to secure the perimeter of the White House: (i) the segment of Pennsylvania Avenue NW., between Madison Place and Seventeenth Street and; (ii) State Place and the segment of South Executive Avenue that connects into State Place.
DATES: 5:00 a.m. (local time), May 20, 1995.

²⁹ See Open Access NOPR, IV FERC Stats. & Regs. ¶ 32,514 at ____, *mimeo* at 96-97; 290-91.

³⁰ Policy Statement at 31,144.

³¹ However, we note that our "or" policy permits transmission rates to reflect the higher of embedded or opportunity costs and that the calculation of such costs can be on an annual basis. See Florida Power & Light Company, 70 FERC ¶ 61,158 at 61,483 (1995), *rehearing pending*.

³² See, e.g., Heartland Energy Services, Inc., 68 FERC ¶ 61,223 at 62,062-63 (1994); Ocean State Power, 44 FERC ¶ 61,261 at 61,983-85 (1988).

³³ See AEP, 67 FERC at 61,490; Open Access NOPR, IV FERC Stats. & Regs. ¶ 32,514 at ____, *mimeo* at 87-88.